

SECTION H

SPECIAL CONTRACT REQUIREMENTS

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H.1 UNAUTHORIZED INSTRUCTIONS FROM GOVERNMENT PERSONNEL

- a. The Contractor will not accept any instructions issued by any other person employed by the U.S. Government other than the Contracting Officer or the Contracting Officer's Technical Representative (COTR) acting within the limits of their authority.
- b. No information, other than that which may be contained in an authorized modification to this contract will be considered as grounds for deviation from any stipulations of the contract's terms and conditions.

H.2 KEY PERSONNEL (CAR 1352.237-73) (MAR 2000)

- a. The Contractor shall assign to this contract the following Key Personnel:
(Name) Position) (to be completed at award)
- b. The Contractor shall obtain the consent of the Contracting Officer prior to making Key Personnel substitutions. Replacements for Key Personnel must possess qualifications equal to or exceeding the qualifications of the personnel being replaced specified.
- c. Requests for changes shall be submitted to the Contracting Officer at least 15

working days prior to making any permanent substitutions. The request should contain a detailed explanation of the circumstances necessitating the proposed substitutions, complete resumes for the proposed substitutes, and any additional information requested by the Contracting Officer. The Contracting Officer will notify the Contractor within 10 working days after receipt of all required information of the decision on substitutions. The contract will be modified to reflect any approved changes.

H.3 NOTICE TO THE GOVERNMENT OF DELAYS

In the event the Contractor encounters difficulty in meeting performance requirements, or when it anticipates difficulty in complying with the contract delivery schedule or dates, or whenever the Contractor has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this contract, the Contractor shall immediately notify the Contracting Officer and the COTR, in writing, giving pertinent details, provided, that this data shall be informational only in character and that this provision shall not be construed as a waiver by the Government of any delivery schedule or data or of any rights or remedies provided by law or under this contract.

H.4 ENGINEERING CHANGES

- a. After contract award, the Government may solicit, and the Contractor is encouraged to propose, independently, engineering changes to the equipment, software specifications, or other requirements of this contract. These changes may be proposed to save money, to improve performance, to save energy, or to satisfy increased data processing requirements. If the proposed changes are acceptable to both parties, the Contractor shall submit a price change proposal to the Government for evaluation. Those proposed engineering changes that are acceptable to the Government will be processed as modifications to the contract.
- b. This clause applies only to those proposed changes identified by the Contractor, as a proposal submitted pursuant to the provisions of this clause. As a minimum, the following information shall be submitted by the Contractor with each proposal:
 - 1. A description of the difference between the existing contract requirement and the proposed change, and the comparative advantages and disadvantages of each;
 - 2. Itemized requirements of the contract which must be changed if the proposal is adopted, and the proposed revision to the contract for each such change;
 - 3. An estimate of the changes in performance and cost, if any, that will result from adoption of the proposal;
 - 4. An evaluation of the effects the proposed change would have on collateral costs to the Government, such as Government-furnished property costs, costs of related items, and costs of maintenance and operation; and
 - 5. A statement of the time by which the change order adopting the proposal must be issued so as to obtain the maximum benefits of the changes during the remainder of this contract. Also, any effect on the contract completion time or delivery schedule shall be identified.
- c. Engineering change proposals submitted to the Contracting Officer shall be processed expeditiously. The Government shall not be liable for proposal preparation costs or any delay in acting upon any proposal submitted pursuant to this clause. The Contractor has the right to withdraw, in whole or in part, any

- engineering change proposal not accepted by the Government within the period specified in the engineering change proposal. The decision of the Contracting Officer as to the acceptance of any such proposal under this contract shall be final and shall not be subject to the "Disputes" clause of this contract.
- d. The Contracting Officer may accept any engineering change proposal submitted pursuant to this clause by giving the Contractor written notice thereof. This written notice may be given by issuance of a modification to this contract. Unless and until a modification is executed to incorporate an engineering change proposal under this contract, the Contractor shall remain obligated to perform in accordance with the terms of the existing contract.
 - e. If an engineering change proposal submitted pursuant to this clause is accepted and applied to this contract, an equitable adjustment in the contract price and to any other affected provisions of this contract shall be made in accordance with this clause and other applicable clauses of this contract. When the cost of performance of this contract is increased or decreased as a result of the change, the equitable adjustment increasing or decreasing the contract price shall be in accordance with the "Changes" clause rather than under this clause, but the resulting contract modification shall state that it is made pursuant to this clause.
 - f. The Contractor is requested to identify specifically any information contained in the engineering change proposal which the Contractor considers confidential or proprietary and which the Contractor prefers not be disclosed to the public. The identification of information as confidential or proprietary is for informational purposes only and shall not be binding on the Government to prevent disclosure of such information. Offerors are advised that such information may be subject to release upon request pursuant to the Freedom of Information Act. (5 U.S.C. 552).

H.5 CONTRACTOR COMMITMENTS, WARRANTIES AND REPRESENTATIONS (ADP 52.239-1286) (APR 1984)

Any written commitment by the Contractor within the scope of this contract shall be binding upon the Contractor. Failure of the Contractor to fulfill any such commitment shall render the Contractor liable for liquidated or other damages due to the Government under the terms of this contract. For the purpose of this contract, a written commitment by the Contractor is limited to the proposal submitted by the Contractor, and to specific written modifications to the proposal. Written commitments by the Contractor are further defined as including (1) any warranty or representation made by the Contractor in a proposal as to hardware or software performance; total systems performance; other physical, design, or functioning characteristics of a machine, software package, or system, or installation date; (2) any warranty or representation made by the Contractor concerning the characteristics or specifications accompanying or referred to in a proposal; and (3) any modification of or affirmation or representation relating to the above which is made by the Contractor in or during the course of negotiations, whether or not incorporated into a formal amendment to the proposal in question.

H.6 INSURANCE COVERAGE (CAR 1352.228-70) (MAR 2000)

Pursuant to the clause "Insurance - Work on a Government Installation (FAR 52.228-5)," the Contractor will be required to present evidence to show, as a minimum, the amounts of insurance coverage indicated below:

- (a) Workers Compensation and Employer's Liability. The Contractor is required to comply with applicable federal and state workers' compensation and occupational disease statutes. If occupational diseases are not compensable under those statutes, they shall be covered under the employer's liability section of the insurance policy, except when contract operations are so commingled with a Contractor's commercial operations that it would not be practical to require this coverage. Employer's liability coverage of at least \$100,000 shall be required, except in states with exclusive or monopolistic funds that do not permit worker's compensation to be written by private carriers.
- (b) General Liability.
 - 1. The Contractor shall have bodily injury liability insurance coverage written on the comprehensive form of policy of at least \$500,000 per occurrence.
 - 2. Property Damage Liability Insurance shall be required in the amount of \$20,000.
- (c) Automobile Liability. The Contractor shall have automobile liability insurance written on the comprehensive form of policy. The policy shall provide for bodily injury and property damage liability covering the operation of all automobiles used in connection with performing the contract. Policies covering automobiles operated in the United States shall provide coverage of at least \$200,000 per person and \$500,000 per occurrence for bodily injury and \$20,000 per occurrence for property damage.
- (d) Aircraft Public and Passenger Liability. When aircraft are used in connection with performing the contract, the Contractor shall have aircraft public and passenger liability insurance. Coverage shall be at least \$200,000 per person and \$500,000 per occurrence for bodily injury, other than passenger liability, and \$200,000 per occurrence for property damage. Coverage for passenger liability bodily injury shall be at least \$200,000 multiplied by the number of seats or passengers, whichever is greater.
- (e) Vessel Liability. When contract performance involves use of vessels, the Contracting Officer shall require, as determined by the agency, vessel collision liability and protection and indemnity liability insurance.

H.7 DEDUCTIBLES UNDER REQUIRED INSURANCE COVERAGE (CAR 1352.228-72) (MAR 2000)

When the Government is injured, wholly or partially as a result of the Contractor's actions and such actions are covered by the insurance required by 1352.228-70, INSURANCE COVERAGE, the Government is entitled to recover from the Contractor the full amount of any such injury attributable to the Contractor regardless of any deductible. The Contracting Officer may offset the amount of recovery against any payment due to the Contractor.

H.8 TECHNOLOGY SUBSTITUTION

H.8.1 OVERVIEW

All items (e.g., hardware, system applications software) and support services (maintenance, training, documentation, installation, and technical support services) shall be the most modern and cost-effective available at the time of delivery and installation. The contractor shall propose substitute items whenever the contractor or its subcontractor is offering replacement or substitutes for the components in question and the contractor offers the particular product to any of its commercial or Government customers. The Government may request that those items be substituted for comparable items originally offered. The Government reserves the right to accept or reject proposed substitutions.

H.8.1.1 MINIMUM QUALIFICATIONS FOR ACCEPTANCE OF SUBSTITUTIONS

- a. The substitute item shall meet or exceed the applicable requirements and specifications of this contract.
- b. Any substitute item shall be fully compatible with the existing hardware and software installed at the time the substitute is proposed for use.
- c. The substitute item shall have capacity and performance characteristics equal to or better than those of the component it is to replace. The criteria used originally for selecting the winning vendor's components will be used to determine acceptability of substitute items.
- d. The substitute item shall offer the same or increased functionality as the item it is to replace.
- e. The price of the item shall be equal to or more cost-effective than the item it is to replace, based on the same evaluation as done under the solicitation.

H.8.1.2 TECHNOLOGY SUBSTITUTION MODIFICATION PROCEDURE

To propose a substitute item, the contractor shall submit a written proposal to the Contracting Officer, addressing each of the applicable specifications in Section C and any other attributes of the substitute item of which the Government should be aware. Additionally, the contractor agrees to demonstrate the proposed item prior to delivery, if requested by the Government.

H.8.1.3 BENEFIT TO THE GOVERNMENT

All proposed technology modifications, substitutions, and additions to the contract shall be evaluated as to their benefit to the Government. In determining the comparative life-cycle costs of such proposals, the performance costs over the remaining life of the contract shall be considered.

H.8.1.4 SUBMISSION OF PROPOSALS

No equipment shall be substituted until the contractor has submitted a proposal to the Contracting Officer with adequate supporting justification. Furthermore, an agreement between the Contracting Officer and the contractor must also be reached and authorized, by written modification to the contract, to effect such substitution. The Government may allow component substitutions when, in the opinion of the Contracting Officer, it is in the best interest of the Government to do so.

H.9 RESERVEDH.10 SUBCONTRACT REPORTS (DOC)

The Contractor shall submit subcontract reports in connection with performance of this contract; a report for subcontracting under this particular contract and a summary report when applicable (see paragraph b) on subcontracts in all contracts between the Contractor and the Department of Commerce which contain subcontract goals for awards to small business and small disadvantaged business concerns.

- (a) The Contractor shall submit a subcontracting report for this contract on Standard Form 294 (Rev 12-98). The report shall be submitted semi-annually in accordance with the General Instructions on the reverse side of the form. The report shall be submitted to:

<u>Distribution</u>	<u>Addressee</u>
copy	Contracting Officer
original	U.S. Department of Commerce Office of Small and Disadvantaged Business Utilization 14th & Constitution Ave., N.W. HCHB, Room H-6411 Washington, D.C. 20230

- (b) The Contractor shall submit a summary subcontract report on all of its contracts with the Department of Commerce which have subcontracting goals on Standard Form 295 (Rev 12-98). The report shall be submitted annually in accordance with the General Instructions on the reverse side of the form. The report shall be submitted no later than 15 days following the close of each reporting period. The report shall be submitted to:

<u>Distribution</u>	<u>Addressee</u>
copy	Contracting Officer
original	U.S. Department of Commerce Office of Small and Disadvantaged Business Utilization 14th & Constitution Ave., N.W. HCHB, Room H-6411 Washington, D.C. 20230

H.11 SUBCONTRACTING PLAN APPROVAL

The Subcontracting Plan submitted by _____* and dated _____* has been approved by the Government and is incorporated herein and made a part of this contract. Any modifications to this contract or modifications in excess of \$500,000 (\$1,000,000 for construction) will require modification of the Subcontracting Plan.

* To be completed at time of award

H.12 HARMLESS FROM LIABILITY (CAR 1352.233-70) (MAR 2000)

The Contractor shall hold and save the Government, its officers, agents, and employees harmless from liability of any nature or kind, including costs and expenses to which they may be subject, for or on account of any or all suits or damages of any character whatsoever resulting from injuries or damages sustained by any person or persons or property by virtue of performance of this contract, arising or resulting from the fault, negligence, wrongful act or wrongful omission of the Contractor, or any subcontractor, their employees, and agents.

H.13 COMPLIANCE WITH THE LAWS (CAR 1352.209-73)(MAR 2000)

The Contractor shall comply with all applicable laws and rules and regulations having the force of law which deal with or relate to performance hereunder or the employment by the Contractor of the employees.

H.14 ORGANIZATIONAL CONFLICT OF INTEREST (CAR 1352.209-71)(MAR 2000)

(A) The Contractor warrants that, to the best of the Contractor's knowledge and belief, there are no relevant facts or circumstances which would give rise to an organizational conflict of interest, as defined in FAR Subpart 9.5, or that the Contractor has disclosed all such relevant information.

(B) The Contractor agrees that if an actual or potential organizational conflict of interest is discovered after award, the Contractor will make a full disclosure in writing to the Contracting Officer. This disclosure shall include a description of actions which the Contractor has taken or proposes to take, after consultation with the Contracting Officer, to avoid, mitigate, or neutralize the actual or potential conflict.

(C) Remedies - The Contracting Officer may terminate this contract for convenience, in whole or in part, if it deems such termination necessary to avoid an organizational conflict of interest. If the Contractor was aware of a potential organizational conflict of interest prior to award or discovered an actual or potential conflict after award and did not disclose or misrepresented relevant information to the Contracting Officer, the Government may terminate the contract for default, debar the Contractor from Government contracting, or pursue such other remedies as may be permitted by law or this contract.

(D) The Contractor further agrees to insert provisions which shall conform substantially to the language of this clause, including the paragraph (c), in any subcontract or consultant agreement hereunder.

H.15 REGULATORY NOTICE (CAR 1352.252-70)(MAR 2000)

Contractors are advised that certain provisions and clauses identified with a Commerce Acquisition Regulation (CAR) notation for identification purposes, have not yet been incorporated into the CAR. However, all of these items are binding for this acquisition and will eventually be contained in the CAR at Part 13 of Title 48 of the Code of Federal Regulations.

H.16 SECURITY REQUIREMENTS FOR INFORMATION TECHNOLOGY RESOURCES (CAR 1352.239-73) (OCT 2003)

(a) This clause is applicable to all contracts that include information technology resources or services in which the Contractor must have physical or electronic access to DOC's sensitive or classified information, which is contained in systems that directly support the mission of the Agency. For purposes of this clause that term "Sensitive" is defined by the guidance set forth in:

(1) The DOC IT Security Program Policy and Minimum Implementation Standards (<http://www.ossec.doc.gov/cio/itmhweb/itmhweb1.html>);

(2) The Office of Management and Budget (OMB) Circular A-130, Appendix III, Security of Federal Automated Information Resources, which states that there is a "presumption that all general support systems contain some sensitive information."; and

(3) The Computer Security Act of 1987 (P.L. 100-235) (<http://www.epic.org/crypto/csa/csa.html>), including the following definition of the term sensitive information "... any information, the loss, misuse, or unauthorized access, to or modification of which could adversely affect the national interest or the, conduct of federal programs, or the privacy to which individuals are entitled under section 552a of title 5, United States Code (The Privacy Act), but which has not been specifically authorized under criteria established by an Executive Order or an Act of Congress to be kept secret in the interest of national defense or foreign policy." For purposes of this clause, the term "Classified" is defined by the guidance set forth in:

(1) The DOC IT Security Program Policy and Minimum Implementation Standards, Section 3.3.1.4 (<http://www.ossec.doc.gov/cio/itmhweb/itmhweb1.html>);

(2) The DOC Security Manual, Chapter 18 (<http://www.ossec.doc.gov/osy/>).

(3) Executive Order 12958, as amended, Classified National Security Information. Classified or national security information is information that has been specifically authorized to be protected from unauthorized disclosure in the interest of national defense or foreign policy under an Executive Order or Act of Congress. Information technology resources include, but are not limited to, hardware, application software, system software, and information (data). Information technology services include, but are not limited to, the management, operation (including input, processing, transmission, and output), maintenance, programming, and system administration of computer systems, networks, and telecommunications systems. The Contractor shall be responsible for implementing sufficient Information Technology security, to reasonably prevent the compromise of DOC IT resources for all of the contractor's systems that are interconnected with a DOC network or DOC systems that are operated by the Contractor.

(b) All Contractor personnel performing under this contract and Contractor equipment used to process or store DOC data, or to connect to DOC networks, must comply with the requirements contained in the DOC Information Technology Management Handbook (<http://www.ossec.doc.gov/cio/itmhweb/itmhweb1.html>), or equivalent/more specific agency or bureau guidance as specified immediately hereafter (Not Applicable-

No agency or bureau specific guidance).

(c) For all Contractor-owned systems for which performance of the contract requires interconnection with a DOC network or that DOC data be stored or processed on them, the Contractor Shall:

(1) Provide, implement, and maintain an IT Security Plan. This plan shall describe the processes and procedures that will be followed to ensure appropriate security of IT resources that are developed, processed, or used under this contract. The plan shall describe those parts of the contract to which this clause applies. The Contractor's IT Security Plan shall comply with federal laws that include, but are not limited to, the Computer Security Act of 1987 (40 U.S.C. 1441 et seq.) and the Federal Information Security Management Act of 2002, Pub. L. No. 107-347, 116 Stat. 2899, 2946-2961 (2002); Pub. L. No. 107-296, 116 Stat. 2135, 2259-2273 (2002). 38 WEEKLY COMP. PRES. DOC. 51, 2174 (Dec. 23, 2002) (providing statement by President George W. Bush regarding Federal Information Security Management Act of 2002). The plan shall meet IT security requirements in accordance with Federal and DOC policies and procedures that include, but are not limited to:

(a) OMB Circular A-130, Management of Federal Information Resources, Appendix III, Security of Federal Automated Information Resources;

(b) National Institute of Standards and Technology Special Publication 800-18, Guide for Developing Security Plans for Information Technology Systems; and

(c) DOC Procedures and Guidelines in the Information Technology Management Handbook (<http://www.osec.doc.gov/cio/itmhwweb/itmhwweb1.html>).

(d) National Industrial Security Program Operating Manual (NISPOM) for classified systems (<http://www.dss.mil/isec/nispom.htm>); and

(e) (Not Applicable-no agency or bureau specific guidance).

(2) The contractor shall continue submitting annually, for DOC Approval, a System Certification and Accreditation package, including the IT Security Plan and a system certification test plan, as outlined in DOC IT Security Program Policy, Sections 3.4 and 3.5. The Certification and Accreditation Package must be consistent with and provide further detail for the security approach contained in the offeror's proposal or sealed bid that resulted in the award of this contract and in compliance with the requirements stated in this clause. The Certification and Accreditation Package, as approved by the Contracting Officer, in consultation with the DOC IT Security Manager, or Agency/Bureau IT Security Manager/Officer, shall be incorporated as part of the contract. DOC will use the incorporated IT Security Plan as the basis for certification and accreditation of the contractor system that will process DOC data or connect to DOC networks. Failure to submit and receive approval of the Certification and Accreditation Package, as outlined in DOC IT Security Program Policy, Sections 3.4 and 3.5 (<http://home.osec.doc.gov/DOC-IT-Security-Program-Policy.htm>) may result in termination of the contract.

(d) The Contractor shall incorporate this clause in all subcontracts that meet the conditions in paragraph (a) of this clause.

(End of clause)

H.17 1352.239-74 SECURITY PROCESSING REQUIREMENTS FOR CONTRACTORS/SUBCONTRACTOR PERSONNEL FOR ACCESSING DOC INFORMATION TECHNOLOGY SYSTEMS (OCT 2003)

(a) Contractor personnel requiring any access to systems operated by the Contractor for DOC or interconnected to a DOC network to perform contract services shall be screened at an appropriate level in accordance with Commerce Acquisition Manual 1337.70, Security Processing Requirements for Service Contracts. DOC shall provide screening using standard personnel screening forms, which the Contractor shall submit to the DOC Contracting Officer's Technical Representative (COTR) based on the following guidance:

- 1) Contract personnel performing work designated Contract High Risk and personnel performing work designated Contract Moderate Risk in the information technology (IT) occupations and those with "global access" to an automated information system require a favorable pre-employment check before the start of work on the contract, regardless of the expected duration of the contract. After a favorable pre-employment check has been obtained, the Background Investigation (BI) for Contract High Risk and the Minimum Background Investigation (MBI) for Contract IT Moderate Risk positions must be initiated within three working days of the start of work.
- 2) Contract personnel performing work designated Contract Moderate Risk who are not performing IT-related contract work do not require a favorable pre-employment check prior to their employment; however, the Minimum Background Investigation (MBI) must be initiated within three working days of the subject's start of work on the contract, regardless of the expected duration of the contract.
- 3) Contract personnel performing work designated Contract Low Risk will require a National Agency Check and Inquiries (NACI) upon the subject's start of work on the contract if the expected duration of the contract exceeds 365 calendar days. The NACI must be initiated within three working days of the subject's start of work on the contract.
- 4) Contract personnel performing work designated Contract Low Risk will require a Special Agreement Check (SAC) upon the subject's start of work on the contract if the expected duration of the contract (including options) exceeds 180 days but is less than 365 calendar days. The SAC must be initiated within three working days of the subject's start of work on the contract.
- 5) Contract personnel performing work on contracts requiring access to classified information must undergo investigative processing according to the Department of Defense National Industrial Security Program Operating Manual (NISPOM), (<http://www.dss.mil/isec/nispom.htm>) and be granted eligibility for access to classified information prior to beginning work on the contract. The security forms may be obtained from the cognizant DOC security office servicing your bureau, operating unit, or Departmental office. At the option of the government, interim access to DOC IT systems may be granted pending favorable completion of a pre-employment check. Final access may be granted only on completion of an

appropriate investigation based upon the risk level assigned to the contract by the Contracting Officer.

(b) Within 45 days after this Modification, the Contractor shall certify in writing to the COTR that its employees, in performance of the contract, have completed annual IT security awareness training in DOC IT Security policies, procedures, computer ethics, and best practices, in accordance with DOC IT Security Program Policy, section 3.13.

The COTR will inform the Contractor of any other available DOC training resources.

(c) Should the Contractor have access to DOC classified or sensitive information, the Contractor shall provide the COTR with signed Nondisclosure Agreements as specified in Commerce Acquisition Regulation (CAR), 1352.209-72, Restrictions Against Disclosures within five days of such access.

(d) The Contractor shall afford DOC, including the Office of Inspector General, access to the Contractor's and subcontractor's facilities, installations, operations, documentation, databases, and personnel used in performance of the contract. Access shall be provided to the extent required to carry out a program of IT inspection, investigation, and audit to safeguard against threats and hazards to the integrity, availability, and confidentiality DOC data or to the function of computer systems operated on behalf of DOC, and to preserve evidence of computer crime.

(e) The Contractor shall incorporate this clause in all subcontracts that meet the conditions in paragraph (a) of this clause.

H.18 PRINTING

Unless otherwise specified in this contract, the Contractor shall not engage in, or subcontract for, any printing (as that term is defined in Title I of the Government Printing and Binding Regulations in effect on the effective date of this contract) in connection with performing under this contract. Provided, however, that performing a requirement under this contract involving the duplicating of less than 5,000 units of only one page, or less than 25,000 units in the aggregate of multiple pages, such pages not exceeding a maximum image size of 10 and $\frac{3}{4}$ inches by 14 and $\frac{1}{4}$ inches, will not be deemed printing.

H.19 PAYMENT OF ELECTRIC UTILITY BILLS

If the Contractor chooses to locate subsystems in the Government-provided facility in the Computer Building at Princeton, NJ (denoted as PRTN in Section C.11.3), the Contractor **shall** pay the electric utility bill from the providing utility, PSE&G, commencing in the month in which the new equipment is first installed and **terminating** in the first month after the end of the contract. The Government will provide the Contractor with credits for monthly power usage, as indicated by the total kilowatt hours in the PSE&G bill, that exceed two times the monthly power usage for power usage for **the HPC equipment, both Contractor-provided and GFE, operated under the R&D contract. This power usage shall be determined by the total kilowatt hours measured on the meter(s) installed by the Contractor as indicated in Section C.11.3.1. If power usage measured by the installed meters is shared with other equipment not covered**

under the current R & D contract, the kilowatt hour total for the month as measured by the meter(s) shall be pro-rated for daily usage based on the steady-state ratings of the equipment between the equipment covered under this contract and the equipment that is not covered by this contract, unless decided otherwise by mutual agreement between the Government and the Contractor.

H.20 PROPOSAL FOR THE OPTION CONTRACT PERIOD

The system life for the HPCS is projected to encompass eight years (FY2006-FY2013). The contract will be divided into a base period (FY2006-2009), followed by an option period (FY2010-2013). The decision to exercise the option period in FY2010 will be made by evaluating a proposal, submitted to the Government by the incumbent contractor no later than March 31, 2009. The HPCS proposed for the option period (FY2010-2013) must offer a guaranteed increase in computational performance over the system delivered as the final substantial upgrade during the contract base period. Exercise of the contract option period will be based on performance during the base contract period and a proposal submitted for contract option period effort. The contract option period proposal shall include, at a minimum, the information and documentation described in the following paragraphs.

A. TECHNICAL PROPOSAL

The technical proposal follows a format similar to Solicitation DG133W-05-RP-1038 and must include the following sections:

TAB 1 PROCUREMENT OBJECTIVES

Demonstrate an understanding of NOAA's required period of performance for this contract as described in section C.1. Demonstrate an understanding of NOAA's need for additional processing power to meet increasing mission requirements as described in section C.1.

Demonstrate your understanding of NOAA's need to acquire balanced, comprehensive computing capabilities in order to advance NOAA's research and development activities as described in section C.1. Demonstrate your understanding of NOAA's new approach for managing its HPC resources based on its functional requirements as described in C.1.

Explain how your proposed solution meets NOAA's current programmatic requirements, as represented by the funding profile presented in Table I in section C.4.3, and how your proposed solution can adapt to possible changes in these requirements.

TAB 2 BENCHMARKS

Describe how the benchmark requirements described in section C.4.2 will be achieved during the option contract period. Include in the description a detailed plan for meeting the requirement for maximum System Life Throughput obtained by a significant mid-life upgrade

that will not front-load or back-load performance. Follow the instructions that are described in Section J for submitting benchmark results.

TAB 3 HPC SUB-SYSTEM COMPONENTS

Provide a high level system description of the proposed R&D HPSCS that meets the requirements described in section C.5 for the option contract period. Describe system components, such as nodes and interconnect fabric, and the overall architecture of the system with particular attention to performance and system dependability. Describe design aspects that maximize performance such as different node types, memory distribution, etc. Include diagrams and specifications of all major sub-system components. Include in the description the rationale used to select the various brand components that comprise the proposed HPSCS. List the various brand components that were considered along with any performance specifications or test results that were used in the selection of the proposed HPSCS. Describe if the Offeror will provide the Government with any pre-delivery access to the system and how it will be implemented.

TAB 3.1 Large Scale Computing Component (LSC)

Describe how the proposed LSC will meet the requirements described in section C.5.1.1 for the option contract period. Include in this description the calculation used to compute the system life throughput for the LSC.

TAB 3.2 Development Component

Describe how the proposed developmental component will meet the requirements described in section C.5.1.2 for the option contract period.

TAB 3.3 Post processing and Analysis Component

Describe how the proposed post processing and analysis component will meet the requirements described in section C.5.1.3 for the option contract period.

TAB 3.4 Data Management Requirement

Describe how the proposed system will provide data integrity and provide at least 99% availability for data access as required in section C.5.2 for the option contract period.

TAB 3.4.1 Home File System (HFS)

Describe how the proposed HFS will meet the requirements described in section C.5.2.1 for the option contract period.

TAB 3.4.2 Fast Scratch File System (FSFS)

Describe how the proposed FSFS will meet the requirements described in section C.5.2.2 for the option contract period.

TAB 3.4.3 Long Term Scratch File System (LTSFS)

Describe how the proposed LTSFS will meet the requirements described in section C.5.2.3 for the option contract period.

TAB 3.4.4 Hierarchical Storage Management System (HSM)

Describe how the proposed HSMS will meet the requirements described in section C.5.2.4 for the option contract period. Include in the description such things as: how the HSMS software searches for archived files on a tape, if the tape drive's fast-search features will be used, show a calculation of the aggregate tape positioning rate for small frequently used files, and a calculation for the large files in the near-line tier, describe the process or mechanism for identifying tapes that have become broken, describe the process for recovering data from tapes that have been physically damaged and how the legacy archived will be addressed.

TAB 3.4.5 Data Generation Profile

Describe how the proposed data management system will be able to support the data volumes detailed in section C.5.2.5.1 and C.5.2.5.2 for each workstream for the option contract period

TAB 3.4.6 Data Retention Profile

Describe how the proposed data management system will be able to support the data volumes detailed in Table III in section C.5.2.6 for the option contract period.

TAB 3.4.7 Automated Backup

Describe the hardware, software, and process that will be used to meet the requirements in section C.5.2.7 for the option contract period.

TAB 4 SOFTWARE REQUIREMENTS

TAB 4.1 Resource Management Software

Describe the software that will be implemented to meet the requirements in section C.5.3.1 for the option contract period. Indicate whether or not any of the desired features that are mentioned in this section will also be met with this solution. Include a description of how the software is licensed.

TAB 4.2 Batch Queuing Software

Describe the software that will be implemented to meet the requirements in section C.5.3.2 for the option contract period. Indicate whether or not any of the desired features that are mentioned in this section will also be met with this solution.

TAB 4.3 Programming Environment Software

Describe how the software listed in section C.5.3.3 will be provided and provisioned across the R&D HPCS for the option contract period. Include a

description of how the software will be licensed.

TAB 4.4 COTS

Describe how the software listed in section C.5.3.4 will be provided and provisioned across the R&D HPCS. Include a description of how the software will be licensed for the option contract period.

TAB 4.5 Community Supported Software

Describe how the software listed in section C.5.3.5 will be provided and provisioned across the R&D HPCS. Include a description of how the software will be licensed for the option contract period.

TAB 4.6 Proposed Software

If the proposal contains any software that was not specifically required, the contractor will provide information pertaining to the installed base of any such software.

TAB 4.7 System Software

Describe how node operating system (OS) upgrades will affect application programs and job scripts. Describe the expected impact of upgrades of the OS on libraries pertaining to numerical results with respect to object files. Describe how OS upgrades will be managed. Describe the resources that will be used to test OS and application software upgrades. If checkpoint/restart capabilities are offered, describe what is being provided and how it will work.

TAB 5 NETWORK REQUIREMENTS

Provide a description and diagram(s) of the proposed network architecture that will be implemented to meet the requirements in section C.5.4 for the option contract period. Include expected data transfer rates and expected response times. The proposal should clearly indicate how the requirements for data browsing, interactive debugging and file editing at the required frame rates per second and quality of service will be met. Describe how the proposed network solution will meet the needs of the categories of users at each of their locations described in section C.5.4.1.

TAB 5.1 User Profile

TAB 5.1.1 User profile for WS7-WS9

Describe how the network architecture being proposed will meet the requirements described in section C.5.4.1.1 for the option contract period.

TAB 5.1.2 User profile for WS4-WS6

Describe how the network architecture being proposed will meet the requirements described in section C.5.4.1.2 for the option contract period.

TAB 5.1.3 User profile for WS1-WS3

Describe how the network architecture being proposed will meet the requirements described in section C.5.4.1.3 for the option contract period.

TAB 5.2 Wide Area Network Component

Describe any additional connectivity that is being provided as a part of the proposed solution in order to meet the requirements in section C.5.4.2. If not already included in the response to L.6.1.5, provide network diagrams and specifications.

TAB 5.3 Describe how remote users will access the R&D HPCS and specify expected response times that a typical remote user might experience during a typical interactive session.

TAB 5.4 High bandwidth connectivity to model and observation data

Describe how the proposed solution will deliver the data described in section C.5.4.3 to the appropriate works streams. If not already included, provide diagrams and specifications of any additional network resources that is being provided to meet this requirement

TAB 6 IT SECURITY

Describe the IT security hardware, software, and procedures that will be incorporated into the design of the proposed system that meet the requirements of section C.5.5 for the option contract period. Provide diagrams and specifications of all equipment that is proposed.

TAB 7 RELIABILITY AND AVAILABILITY REQUIREMENTS

During the option contract period describe how the Contractor will provide support for the requirements in section C.6.1.

TAB 7.1 Downtime

Describe your understanding of what constitutes downtime and the elements described in section C.6.1.1.

TAB 7.2 Availability

Describe your understanding of how availability will be measured as described in section C.6.1.2. Include in the description any tools that will be implemented. Provide a table that shows the system life throughput for each workstream for each year of the base period of the contract.

TAB 8 SUPPORT SERVICES REQUIREMENTS**TAB 8.1 Support**

Describe your support structure that will be implemented to meet the 96% system availability as described in section C.7.1 for the option contract period.

TAB 8.2 Training

Describe how the training requirements listed in section C.7.2 will be met for the option contract period.

TAB 9 PROJECT MANAGEMENT REQUIREMENTS

Give a brief description of how the project is to be organized, staffed, and managed, identifying all subcontractors that meet the requirements stated in section C.8.1. Include in the description the number of software engineers, hardware engineers, and applications analysts proposed, and describe their qualifications and duties.

TAB 9.1 Transition to “One NOAA”

NOAA requires the Offeror to provide a transition plan over the term of the base period of this contract to move NOAA from its current organization-based business processes toward the “One NOAA” approach identified in section C.8.2. The transition plan will identify the approach proposed to be followed; the various components to be used; the phasing of the various components; the testing plan; and the final state of the transition at the end of the base period. The vendor will include use cases describing how the user will work at the various phases of the implementation of the integration. In proposing a solution, the vendor shall identify the costs and the performance trade-offs necessary to implement the solution.

TAB 9.2 Documentation

Provide a description of how the Offeror proposes to provide the various documents described in section C.8.3.

TAB 9.3 Configuration Management and Change Management Plan

Provide a detailed description of how the configuration management and any associated change processes for the R&D HPCS will be maintained over the life of the contract as described in section C.8.4.

TAB 9.4 Contract Transition Plans

Provide a detailed description and plan covering the transition period from the existing contracts to this new contract as described in section C.8.4.

B. PRICE PROPOSAL

The contractor is required to provide a detailed pricing proposal that includes all cost elements by month (e.g., lease cost, hardware maintenance, software maintenance, on-site support, etc.) for the option period of the contract. The contractor is required to submit separate pages for each contract year depicting all costs. If alternate methods of acquisition are proposed, a separate proposal for each acquisition method must be submitted.

The contractor is required to include the following in its price proposal:

- A. Price for hardware by item.
- B. Price for software. Provide monthly pricing for each item of software offered. Indicate if it is leased software or purchased software.
- C. A breakout by labor category of all services proposed (e.g., hardware, maintenance, software maintenance, on-site applications analyst, etc.) and total price for each item. A separate breakout is required for each year of the option contract period.
- D. A detailed description and breakout of any other price proposed (e.g. communications, power, cooling, etc.)
- E. Separate pricing for all of the options described in section C.9.

Any lease resulting from this Solicitation must be determined an "operating lease" in accordance with the policies set forth in Office of Management and Budget (OMB) Circular A-11 and the Federal Accounting Standards Advisory Board (FASAB). Accordingly, the contractor is required to submit the following pricing information for the option contract period:

1. monthly lease price by component
2. monthly lease price for each software package
3. monthly maintenance price for leased hardware and software
4. monthly price associated with taxes
5. monthly price associated with insurance
6. monthly facilities rental (if applicable)
7. Communication costs (if applicable)
8. Power and cooling costs
9. Interest rate used to calculate lease payments.

In addition, the contractor shall provide the fair market value (FMV) price for each proposed hardware component and software package and the basis for the FMV (e.g., GSA Federal Supply Schedule price, published commercial price, etc.)

C. FACILITY PROPOSAL (If Applicable)

The contractor shall submit a facility proposal that consists of facility sub-proposals for

each site that is proposed. If any of the Government-provided facilities described in Section C.11 are to be used, the Contractor must provide the following for each facility:

- 1) A detailed site-preparation plan that prescribes facility modifications, with schedule, that are required for initial equipment installation and any subsequent equipment transitions during the base contract. Contractors that propose to use BLDR-1 and/or BLDR-2 must provide a detailed description of site modifications, including cost estimate, so that credits can be provided to the Government for work to be completed by GSA contractors.
- 2) A plan indicating expected usage of facility resources (e.g., raised floor space, peak power load, peak cooling load) as a function of time throughout the base contract
- 3) Identification of any additional resources required by the Contractor's proposal that are above those projected by the Government to be available and a plan indicating how these resources would be obtained
- 4) Equipment characteristics of each major component, including:
 - Equipment dimensions, weight, and quantity
 - Cooling requirements and cooling design
 - Power requirements and power distribution design
- 5) Analysis of each proposed system configuration to demonstrate sufficient UPS
- 6) capacity graceful system shutdown
- 7) Identification of any site-restricted GFE equipment that the Contractor proposes to use, including any refurbishment or enhancement that is needed
- 8) Identification of any unrestricted GFE equipment from another Government site that the Contractor proposes to use. Proposed shipping arrangements should be identified, including procedures for its return at the end of the contract.
- 9) Any additional facility enhancements, with implementation plan, that the Contractor proposes in order to assure robust operation

If any Contractor-provided facility is proposed, the Contractor must provide the following in the facility proposal:

- 1) A copy of the site operating plan, including facility management procedures
- 2) A copy of the physical security procedures
- 3) A statement of how NOAA remote computer operators would be informed of deteriorating facility conditions such as rising room temperatures or an air handler failure
- 4) A copy of the facility's disaster recovery plan
- 5) One-line (logic) diagrams of the electrical service and cooling service
- 6) An energy density (watts per square foot) projection plotted over the contract life
- 7) A spreadsheet listing the type and age of facility equipment to be used. Examples are: UPS systems and power conditioners, chillers, heat exchangers, air handlers
- 8) A copy of the contract statement of work for any commercial facility

- 9) management company used, or the equivalent if performed in-house. Preventative maintenance schedules, proactive inspections, and quality assurance methods are examples
- 10) A brief (2-3 paragraphs) description of the procedures used to acquire off-site emergency service, including minimum response times and escalation procedures
- 11) A statement (one paragraph) as to how coverage and services are made available after-hours and on holidays
- 12) A statement (paragraph) projecting the minimum UPS power protection period (survival time) that is required, when utility power fails, in order to assure graceful system shutdown. Also provide a maintenance schedule on UPS systems that would address any UPS deterioration.
- 13) A brief description of the fire protection systems and certification standards
- 14) A brief description of any automated facility controls such as computer-managed failover systems
- 15) A bio (curriculum vitae) of the facility manager's experience and training
- 16) A description of facility alterations and changes to be made to the offered space if the Offeror is successful
- 17) A list of all unrestricted Government furnished equipment to be used, including a schedule for shipment to the site and procedures for its return at the end of the contract

H.21 RESTRICTIONS AGAINST DISCLOSURE (CAR 1352.209-72)(MAR 2000)

a. The Contractor agrees, in the performance of this contract, to keep the information furnished by the Government and designated by the Contracting Officer or Contracting Officer's Technical Representative in the strictest confidence. The Contractor also agrees not to publish or otherwise divulge such information in whole or in part, in any manner or form, nor to authorize or permit others to do so, taking such reasonable measures as are necessary to restrict access to such information while in the Contractor's possession, to those employees needing such information to perform the work provided herein, i.e., in a "need to know" basis. The Contractor agrees to immediately notify the Contracting Officer in writing in the event that the Contractor determines or has reason to suspect breach of this requirement.

b. The Contractor agrees that it will not disclose any information described in subsection a. to any persons or individual unless prior written approval is obtained from the Contracting Officer. The Contractor agrees to insert the substance of this clause in any consultant agreement of subcontract hereunder.

H.22 DESTRUCTION OF DATA

The Contractor agrees that digital storage media retained by the Contractor or subcontractor at the end of the contract shall be sanitized according to guidelines in the Department of Commerce (DOC) IT Security Program Policy and Minimum Implementation Standards, sections 13.7 and 13.8. If processing is performed on a Contractor facility or computer, the Contractor certifies that sensitive or confidential data processed during the performance of this contract shall be purged from all data storage components of its computer facility, and the Contractor will retain no output after such time as the contract is completed. If immediate purging of all data storage components is not possible, the Contractor certifies that any sensitive or confidential organization data remaining in any storage component will be safeguarded to prevent unauthorized disclosures.